

Common Water Billing Questions

1. Did the Borough change the way it bills for water?

Yes. Up until the end of calendar year 2011, residential properties were billed semi-annually based on the number of fixtures on their property. Beginning January 1, 2012, we began to bill on a metered rate, billed on a quarterly basis.

2. How has this changed my bill?

You are now billed a base rate of \$125 per quarter and then charged for actual water used beginning at \$4.00 per 1,000 gallons for the first 25,000 gallons. If you consume between 25,001 and 100,000, the rate for these additional gallons increases to \$4.50 per 1,000 gallons. Any water consumption over 100,000 gallons is billed at \$5.50 per 1,000 gallons.

3. Why has my bill increased?

Your bill has increased because there has been a significant increase in the debt portion of the Water Utility budget. The Borough must repay \$6.2 million over the next 20 years in no interest/low interest loans which funded four major capital projects.

4. Please describe these projects.

Project #1 Installation of residential water meters throughout the entire town. Approximately 50% of the cost of this project was offset by a grant from the federal government in the form of stimulus funds.

Project #2 The structural repair and painting of the 200,000 gallon elevated water tower.

Project #3 The drilling and installation of a new well. The old well which had reached the end of its useful life will be decommissioned and demolished.

Project #4 The installation of 17,000 LF of new water mains which replaced much older, undersized mains.

5. Why did the town undertake all of these projects during the same time period?

Like most of the island towns, our small municipal water system was sorely in need of major upgrades. It was determined that we should take advantage of the historically low interest rates as well as a very competitive market, in order to get the best value for our dollar.